

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2009-06-30
Date of Last Change to Activities: 2012-03-15
Investment Auto Submission Date: 2012-02-23
Date of Last Investment Detail Update: 2012-02-23
Date of Last Exhibit 300A Update: 2012-03-13
Date of Last Revision: 2012-07-20

Agency: 007 - Department of Defense **Bureau:** 21 - Department of the Army

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: GLOBAL COMBAT SUPPORT SYSTEM - ARMY

2. Unique Investment Identifier (Ull): 007-000005070

Section B: Investment Detail

- 1. Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

GCSS-Army will provide the Army's Soldier with a seamless flow of timely, accurate, accessible, actionable and secure information not readily available today that gives combat forces a decisive edge. GCSS-Army will modernize logistics by implementing best business practices to streamline supply operations, maintenance operations, property accountability, logistics management and integration procedures in support of the Future Force transition path of the Army Campaign Plan. This effort will implement a comprehensive logistics automated solution for the Army and provide the commander on and off the battlefield with an integrated and interoperable end-to-end view of the logistics chain, equipment status and asset visibility to support decisions that will affect the outcome of combat operations, combat power and planning for future operations. This solution implements Commercial-Off-The-Shelf (COTS) Enterprise Resource Planning (ERP) products from the company System, Application and Product, Aktiengesellschaft (SAP AG). This will also allow the Army to retire multiple custom designed standalone business software baselines optimized to existing Army business processes and replace them with a single integrated business software baseline that has been optimized to industry defined best business practices. It will eliminate the need for extensive maintenance and modification of aging, diverse software systems resulting in improved and efficient change control and configuration management through implementation of an enterprise system. The primary beneficiaries of

GCSS-Army are: Logistics Managers and Planners, Resource Managers, Commanders at all levels and Logistics Domain Owners. This investment interacts with Army Enterprise Systems Integration Program (AESIP), Logistics Modernization Program (LMP), General Fund Enterprise Business System (GFEBS) and Integrated Personnel and Pay System-Army (IPPS-A). These programs and GCSS-Army comprise the Single Army Logistics Enterprise.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

No single existing Army Logistics sustainment system is capable of retrieving all information from multiple data storage sites to anticipate force projection support requirements, identify location of available assets and synchronize the movement/distribution of logistics resources. These deficiencies make it impractical for the Army to properly track supplies and equipment, operational costs and total cost of ownership for individual items or units, selected forces, or for the entire Army as required by a Title 10 US Code statutory mandate.

GCSS-Army, one of the Army's four ERP systems, will close this operational gap by retiring existing legacy systems. GCSS-Army, along with ERP systems GFEBS, LMP and IPPS-A, meet efficiency, auditability and statutory requirements and goals as identified in the Army's Business Systems Information Technology (BSIT) Strategy dated 14 Feb 11: Efficiency:

"Retiring legacy systems will increase visibility across the enterprise and reduce risk and cost, enabling greater accuracy and efficiency in the ARFORGEN process." (BSIT, pg 3)

Auditability: "...audit readiness and planned progress toward achieving an unqualified audit are key goals for the Army. The Army reaffirms that the successful implementation of its core ERP systems is crucial for resolving long-standing material weaknesses and providing accurate and reliable information on the cost of operations... Together, the integrated core Army ERP programs' implementation will enable data and business process standardization and traceability from transaction to General Ledger results, all of which are at the core of audit readiness." (BSIT, pg 5) Statutory: "Additionally, those functional goals supported by ERP investments also align directly with and support the satisfaction of relevant statutory requirements such as those outlined in the Chief Financial Officers (CFO) Act of 1990, multiple National Defense Authorization Acts (NDAAs), the Federal Financial Management Improvement Act (FFMIA) of 1996, and the Clinger-Cohen Act of 1996." (BSIT, pg 6) Lack of full funding could negatively impact cost, schedule and performance, to include a potential breach for schedule; require continued maintenance and costly upgrades to legacy systems; indefinitely delay Logistics transformation; preclude the establishment of ERP logistics best business practices; and preclude logistics transformation as defined and required for deployable force.

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

*Completed a successful Limited User Test (LUT) of Release 1.1 demonstrating functionality of the current release for the program (Supply, Maintenance, Property Accountability, and Financial Capabilities) with the 11th Armored Cavalry Regiment (ACR) at Fort Irwin, CA.

*Updated specific capabilities through a "Break/Fix" period and re-introduced them to the release after a successful developmental test, validating that the issue was resolved.

*Achieved a MS C decision (approval for production) from the Milestone Decision Authority

(MDA), the Under Secretary of Defense (Acquisition, Technology and Logistics (USD(AT&L))), to proceed to limited deployment and proceed to a full Initial Operational Test and Evaluation (IOT&E) in Aug 11. *Completed data conversion activities and the New Equipment Training (NET) with the IOT&E Unit, the 2nd Brigade, 1st Armored Division, on the GCSS-Army ERP Solution in Aug 11. *Began work efforts on the Plan/Analyze Phase of Release 1.2.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

*Completed the IOT&E with the 2nd Brigade, 1st Armored Division and supporting financial activities in Oct 11. *Proceed to a Full Deployment Decision (FDD) in 4Q FY12 and seek permission from the MDA, the USD(AT&L), to deploy the GCSS-Army ERP Solution Wave I to the Army Supply Support Activities (SSAs) first in 4Q FY12. Wave I deployment will provide the supply functionality to the SSAs necessary to enable the future deployment of GCSS-Army Release 1.1 to subordinate tactical units. Release 1.2 will complete its Plan/Analyze Phase and begin its Design/Build Phase in FY12. Release 1.2 will add a disconnected capability to the baseline and added Financial Capabilities. *Continue deploying Wave I to SSA units across the Army throughout the fiscal year. *Complete Release 1.2 in FY13 and enter into an operational assessment phase where the release will be validated to be operationally suitable for deployment. *Begin sustainment operations for newly fielded units. *Continue sustainment operations for previously fielded units.

5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

2008-07-21

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

| | PY-1 & Prior | PY 2011 | CY 2012 | BY 2013 |
|--|--------------------|------------|------------|------------|
| Planning Costs: | \$657.6 | \$114.4 | \$153.2 | \$118.9 |
| DME (Excluding Planning) Costs: | \$283.7 | \$39.7 | \$94.3 | \$112.7 |
| DME (Including Planning) Govt. FTEs: | \$23.9 | \$7.0 | \$7.4 | \$2.0 |
| Sub-Total DME (Including Govt. FTE): | \$965.2 | \$161.1 | \$254.9 | \$233.6 |
| O & M Costs: | \$35.3 | \$24.1 | \$42.6 | \$62.9 |
| O & M Govt. FTEs: | \$0.0 | \$0.0 | \$0.0 | \$2.0 |
| Sub-Total O & M Costs (Including Govt. FTE): | \$35.3 | \$24.1 | \$42.6 | \$64.9 |
| Total Cost (Including Govt. FTE): | \$1,000.5 | \$185.2 | \$297.5 | \$298.5 |
| Total Govt. FTE costs: | \$23.9 | \$7.0 | \$7.4 | \$4.0 |
| # of FTE rep by costs: | 205 | 57 | 61 | 31 |
| | | | | |
| Total change from prior year final President's Budget (\$) | | \$-71.4 | \$19.7 | |
| Total change from prior year final President's Budget (%) | | -28.00% | 7.00% | |

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

Changes occurred from FY12 President's Budget due to realignment of functionality across the Army's existing ERP systems. The realignment addressed capabilities associated with (1) Ammunition Management, (2) Installation Fixed Based (IFB) (3) Aviation Disconnected Capabilities, (4) Enterprise Equipment Master (EEM), (5) Condition Based Maintenance Plus (CBM+), (6) Test, Measurement and Diagnostic equipment, (7) Local Purchases and (8) Restructured Fielding.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

| Contract Type | EVM Required | Contracting Agency ID | Procurement Instrument Identifier (PIID) | Indefinite Delivery Vehicle (IDV) Reference ID | IDV Agency ID | Solicitation ID | Ultimate Contract Value (\$M) | Type | PBSA ? | Effective Date | Actual or Expected End Date |
|---------------|--------------|-----------------------|--|--|---------------|-----------------|-------------------------------|------|--------|----------------|-----------------------------|
| Awarded | | W91QUZ07D00 050001 | | | | | | | | | |

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

N/A

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-03-15

Section B: Project Execution Data

Table II.B.1 Projects

| Project ID | Project Name | Project Description | Project Start Date | Project Completion Date | Project Lifecycle Cost (\$M) |
|------------|-----------------------------------|--|--------------------|-------------------------|------------------------------|
| P5070-101 | Global Combat Support System-Army | <p>GCSS-Army will modernize logistics by implementing best business practices to streamline supply operations, maintenance operations, property accountability, logistics management and integration procedures. In this project, the Program will proceed to a Full Deployment Decision (FDD) and seek permission to deploy the GCSS-Army ERP Solution Wave I to the Army Supply Support Activities (SSA)s. Wave I deployment will provide the supply functionality to the SSAs necessary to enable the future deployment of GCSS-Army Release 1.1 to subordinate tactical units. Release 1.2 will complete its Plan/Analyze Phase and begin its Design/Build Phase. Release 1.2 will add a disconnected capability to the baseline and added Financial Capabilities.</p> | | | |

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

| Project ID | Name | Total Cost of Project Activities (\$M) | End Point Schedule Variance (in days) | End Point Schedule Variance (%) | Cost Variance (\$M) | Cost Variance (%) | Total Planned Cost (\$M) | Count of Activities |
|------------|------|--|---------------------------------------|---------------------------------|----------------------|-------------------|--------------------------|---------------------|
|------------|------|--|---------------------------------------|---------------------------------|----------------------|-------------------|--------------------------|---------------------|

P5070-101
Global Combat Support System-Army

Key Deliverables

| Project Name | Activity Name | Description | Planned Completion Date | Projected Completion Date | Actual Completion Date | Duration (in days) | Schedule Variance (in days) | Schedule Variance (%) |
|--------------|---------------|-------------|-------------------------|---------------------------|------------------------|--------------------|------------------------------|-----------------------|
|--------------|---------------|-------------|-------------------------|---------------------------|------------------------|--------------------|------------------------------|-----------------------|

NONE

Section C: Operational Data

Table II.C.1 Performance Metrics

| Metric Description | Unit of Measure | FEA Performance Measurement Category Mapping | Measurement Condition | Baseline | Target for PY | Actual for PY | Target for CY | Reporting Frequency |
|--|-----------------|---|-----------------------|-----------------|-----------------|---------------|-----------------|---------------------|
| Overage Reparables. Reparables are critical repair parts that can be repaired at a fraction of the original cost. When a reparable item is needed to make equipment mission capable it is ordered from the servicing supply support activity. The requiring activity must return the unserviceable like item. The customer has 10 days to return the like unserviceable item after which point it becomes OVERAGE. Monitoring the 10 day regulatory policy promotes mission readiness and fiscal prudence. | USD | Mission and Business Results - Management of Government Resources | Under target | 39594850.870000 | 19797425.440000 | 564661.710000 | 19797425.440000 | Monthly |
| Readiness Driver Satisfaction. This metric measures the degree to which Maintenance Significant Parts (MSP) were provided to the customer upon demand in order to execute its maintenance mission. | Percentage | Customer Results - Timeliness and Responsiveness | Over target | 85.000000 | 90.000000 | 91.000000 | 90.000000 | Monthly |
| Overdue Deliveries with Dues-Out. The | numeric | Process and Activities - Management and | Under target | 5.000000 | 0.000000 | 5.360000 | 0.000000 | Monthly |

Table II.C.1 Performance Metrics

| Metric Description | Unit of Measure | FEA Performance Measurement Category Mapping | Measurement Condition | Baseline | Target for PY | Actual for PY | Target for CY | Reporting Frequency |
|---|-----------------|--|-----------------------|------------|---------------|---------------|---------------|---------------------|
| Supply Support Activity provides repair parts and supplies. Its tailored package of stocks must be replenished. Tracking inbound shipments is key to maintaining a functioning level of stocks. OVERDUE inbound shipments are researched to avoid stock shortages, which may degrade the mission. An arbitrary number (45 days) used to define "OVERDUE". GCSS-Army increased the efficiency of this process by calculating average delivery time by individual material. | | Innovation | | | | | | |
| Customer Reconciliation. This process is intended to resolve discrepancies between customer and SSA records. Every customer order that is not on the SSA record is usually reordered at cost. When this cost is extrapolated across the Army, Reserve and National Guard, the recurring cost of reordering becomes | Percentage | Technology - Efficiency | Over target | 100.000000 | 100.000000 | 100.000000 | 100.000000 | Monthly |

Table II.C.1 Performance Metrics

| Metric Description | Unit of Measure | FEA Performance Measurement Category Mapping | Measurement Condition | Baseline | Target for PY | Actual for PY | Target for CY | Reporting Frequency |
|---|-----------------|--|-----------------------|-----------|---------------|---------------|---------------|---------------------|
| significant. | | | | | | | | |
| Readiness Driver Fill Rate. This metric measures the breadth (how many) and the depth (how much of each) of an Authorized Stockage List (ASL). The ASL is the stock package an SSA uses to support its customer base. The ASL contains critical and non critical parts and supplies. This metric focuses on the performance of the Maintenance Significant Parts known as Readiness Drivers. The current direction is to stock more Readiness Driver and less non-critical items. | Percentage | Technology - Effectiveness | Over target | 49.130000 | 45.000000 | 57.330000 | 45.000000 | Monthly |